

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF OKLAHOMA**

SARAH MAE LYNN ENGLES,

Plaintiff,

v.

**MARTIN O'MALLEY,
Commissioner of the Social
Security Administration,**

Defendant.

Case No. CIV-20-367-JFH-SPS

REPORT AND RECOMMENDATION

The Plaintiff appealed the decision of the Commissioner of the Social Security Administration denying her request for benefits. The Court reversed the decision of the Commissioner and remanded the case to the Administrative Law Judge (“ALJ”) for further proceedings. On remand, the Administrative Law Judge (“ALJ”) found that the Plaintiff was disabled and awarded her approximately \$50,553.00 in past-due benefits. *See* Docket No. 24, Ex. C. The Plaintiff’s attorney now seeks an award of fees pursuant to 42 U.S.C. § 406(b)(1). For the reasons set forth below, the undersigned Magistrate Judge recommends pursuant to 28 U.S.C. § 636(b)(1)(C) that Plaintiff’s Motion for Attorney Fees Pursuant to 42 U.S.C. § 406(b) [Docket No. 24] should be granted and that Plaintiff’s attorney be awarded \$11,461.50 in attorney’s fees.

When “a court renders a judgment favorable to a claimant under this subchapter who was represented before the court by an attorney, the court may determine and allow as part of its judgment a reasonable fee for such representation, not in excess of 25 percent of the total of the past-due benefits to which the claimant is entitled by reason of such judgment[.]” 42 U.S.C. 406(b)(1)(a). The 25% does not include any fee awarded by the Commissioner for representation

in administrative proceedings pursuant to 42 U.S.C. § 406(a). *Wrenn v. Astrue*, 525 F.3d 931, 937 (10th Cir. 2008) (“Based on the plain language and statutory structure found in § 406, the 25% limitation on fees for court representation found in § 406(b) is not itself limited by the amount of fees awarded by the Commissioner.”). The amount requested in this case is \$11,461.50, approximately 21.6% of the Plaintiff’s past-due benefits in accordance with the applicable attorney fee agreement, and the motion was timely filed within thirty days following issuance of the notice of award. *See Harbert v. Astrue*, 2010 WL 3238958 at *1 n. 4 (E.D. Okla. Aug. 16, 2010) (slip op.) (“The Court notes here that while no explanation is needed for a Section 406(b)(1) motion filed within thirty days of issuance of the notice of appeal, lengthier delays will henceforth be closely scrutinized for reasonableness, including the reasonableness of efforts made by appellate attorneys to obtain a copy of any notice of award issued to separate agency counsel.”). *See also McGraw v. Barnhart*, 450 F.3d 493, 504-505 (10th Cir. 2006) (“Section 406(b) itself does not contain a time limit for fee requests. . . . We believe that the best option in these circumstances is for counsel to employ Federal Rule of Civil Procedure 60(b)(6) in seeking a § 406(b)(1) fee award.”); Fed. R. Civ. P. 60(c)(1) (“A motion under Rule 60(b) must be made within a reasonable time[.]”).

The Court therefore need only determine if this amount is reasonable for the work performed in this case. *Gisbrecht v. Barnhart*, 535 U.S. 789, 807 (2002) (“[Section] 406(b) does not displace contingent-fee agreements as the primary means by which fees are set for successfully representing Social Security benefits claimants in court. Rather, § 406(b) calls for court review of such arrangements as an independent check, to assure that they yield reasonable results in particular cases.”). Factors to consider include: (i) the character of the representation and results achieved, (ii) whether any dilatory conduct might allow attorneys to “profit from the accumulation

of benefits during the pendency of the case in court [.]” and (iii) whether “the benefits are [so] large in comparison to the amount of time counsel spent on the case” that a windfall results. *Id.* at 808, citing *McGuire v. Sullivan*, 873 F.2d 974, 983 (7th Cir. 1989) (reducing fees for substandard work); *Lewis v. Secretary of Health & Human Services*, 707 F.2d 246, 249-50 (6th Cir. 1983) (same); *Rodriguez v. Bowen*, 865 F.2d 739, 746-47 (6th Cir. 1989) (noting fees are appropriately reduced when undue delay increases past-due benefits or fee is unconscionable in light of the work performed); *Wells v. Sullivan*, 907 F.2d 367, 372 (2nd Cir. 1990) (court should consider “whether the requested amount is so large as to be a windfall to the attorney”). Contemporaneous billing records may be considered in determining reasonableness. *Gisbrecht*, 535 U.S. at 808 (“[T]he court may require the claimant’s attorney to submit, not as a basis for satellite litigation, but as an aid to the court’s assessment of the reasonableness of the fee yielded by the fee agreement, a record of the hours spent representing the claimant and a statement of the lawyer’s normal hourly billing charge for noncontingent-fee cases.”), citing *Rodriguez*, 865 F.2d at 741.

Based on the factors enunciated in *Gisbrecht*, the Court concludes that \$11,461.50 in attorney’s fees is reasonable for the work done in this case. First, the attorney ably represented the Plaintiff in her appeal to this Court and obtained excellent results on her behalf, *i. e.*, a reversal of the Commissioner’s decision denying benefits and remand for further consideration. The Plaintiff’s success on appeal enabled her not only to prevail in her quest for social security benefits, but also to obtain \$6,037.60 in fees as a prevailing party under the Equal Access to Justice Act, 28 U.S.C. § 2412(d). *See* Docket No. 23. Second, there is no evidence that the Plaintiff’s attorneys caused any unnecessary delay in these proceedings. Third, the requested fee does not result in any windfall to the Plaintiff’s attorney, who spent a total of 28.2 hours on this appeal. *See* Docket No. 24. This would equate to a rate of approximately \$405.00 per hour. This rate is not excessive here

and the Court therefore concludes that the requested fee of \$11,461.50 is reasonable within the guidelines set by *Gisbrecht*.

It appears that the Commissioner retains sufficient funds to pay the \$11,461.50 awarded to the Attorney herein under Section 406(b)(1). If, however, for any reason the Commissioner may not have sufficient funds on hand to satisfy the \$11,461.50 awarded herein, the Plaintiff's attorney will have to recover the difference from the Plaintiff herself, not from her past-due benefits. *See Wrenn*, 525 F.3d at 933 ("If the amount withheld by the Commissioner is insufficient to satisfy the amount of fees determined reasonable by the court, the attorney must look to the claimant, not the past-due benefits, to recover the difference.").

Furthermore, because the \$11,461.50 awarded herein pursuant to Section 406(b)(1) exceeds the \$6,037.60 previously received by the Plaintiff as part of the EAJA fee award, the Plaintiff's attorney is usually ordered to refund the latter amount to the Plaintiff. *See Weakley v. Bowen*, 803 F.2d 575, 580 (10th Cir.1986). However, in the instant case, the Plaintiff asserts the EAJA fee of 6,037.60 was intercepted and seized by the Department of the Treasury for a debt owed by the plaintiff to the Oklahoma DHS Child Support Services. *See* Docket No. 24, Exhibit F. The Commissioner does not dispute this allegation. *See* Docket No. 28 at 2. When Plaintiff's counsel receives none of the EAJA award due to a governmental offset, Plaintiff's counsel may recover his or her fees under 406(b).¹ *See Torey E. v. Saul*, 2020 WL 996788, at *3 (C.D. Cal. Mar. 2, 2020) (where entire EAJA amount was offset, "the Court finds no basis to require refunding EAJA awards from Section 406(b) attorney's fees. "); *Bennett v. Berryhill*, 2018 WL 6016888, at *4 (N.D. Ind. Nov. 9, 2018). ("Bennett's EAJA fee award of \$5,170.55 need not be

¹ "Plaintiff received the benefit of the EAJA award in the form of a reduction of her debt." *J.M.V. v Saul*, 2020 WL 7230233 at *2 (D. Kan. Dec. 8, 2020).

offset from Shull's award under Section 406(b), as Bennett's entire EAJA fee award was seized by the government to satisfy a debt that Bennett owed to the federal government.”).

Accordingly, the undersigned Magistrate Judge hereby PROPOSES the findings set forth above and RECOMMENDS that Plaintiff’s Motion for Attorney Fees Pursuant to 42 U.S.C. § 406(b) [Docket No. 24] be GRANTED, and that the Court award attorney’s fees in the amount of \$11,461.50 pursuant to 42 U.S.C. § 406(b)(1). Any objections to this Report and Recommendation must be filed within fourteen days. *See* Federal R. Civ. P. 72(b). Any objections and response shall each be limited to 10 pages and a reply is permitted only with leave of court upon a showing of good cause.

IT IS SO ORDERED this 14th day of March, 2024.



STEVEN P. SHREDER
UNITED STATES MAGISTRATE JUDGE